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# U.S. HOUSE OF REPRESENTATIVES

PERMANENT SELECT COMMITTEE  
 ON INTELLIGENCE

WASHINGTON, DC 20515-6415

OCA 3484-88

OCA FILE HPSCI/Sec Misc

## PRESS RELEASE

Release of Subcommittee Report: U.S. Counterintelligence and Security Concerns: A Status Report, Personnel and Information Security

FOR IMMEDIATE RELEASE: October 19, 1988  
 FOR FURTHER INFORMATION, CONTACT RICHARD GIZA (225-5657) OR BERNARD TOON (225-0788)

The House Permanent Select Committee on Intelligence voted unanimously on October 4, 1988 to release a public report of its Subcommittee on Oversight and Evaluation entitled, U.S. Counterintelligence and Security Concerns: A Status Report, Personnel and Information Security. This report summarizes findings derived from hearings conducted in the Subcommittee on May 18 and June 15, 1988, as a follow-up to the full Committee's report issued in January, 1987 entitled, U.S. Counterintelligence and Security Concerns - 1986. The Subcommittee report assesses executive branch progress in implementing the recommendations of this Committee and other Congressional and executive branch study panels which issued recommendations for improvements in the Government's counterintelligence programs as a result of several damaging and highly publicized espionage cases over the past several years.

The Subcommittee on Oversight and Evaluation is chaired by Representative Anthony C. Beilenson (D., Calif.).

The Subcommittee chose personnel and information security as a point of departure for its inquiry because these areas seemed to have suffered from considerable neglect over the past several years. Despite the fact that virtually all of our most damaging espionage losses in recent years have been the result of the actions of individuals rather than the result of physical or technical penetrations of sensitive facilities, personnel security continues to receive less attention than other security disciplines, such as electronic countermeasures and physical security.

The Subcommittee's principal findings were as follows:

- While Defense and intelligence community agencies have initiated steps to improve personnel security programs, their efforts have suffered from a lack of serious attention at the working level and the lack of a dedicated commitment of management to provide the necessary leadership and resources required.

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- The large numbers of personnel security clearances and the volume of classified information noted in the Committee's report of last year continues. While the Department of Defense claims to have significantly reduced the number of its security clearances, this accomplishment appears to have been partially cosmetic and is now being undermined by an upward trend. The accuracy of the Department's claims of clearance reductions is also questionable.
- While improvement in personnel security practices in the executive branch has proceeded slowly, the situation is no different on Capitol Hill. There is currently no central repository of clearances so that one can determine the level of access granted to individual Congressional staff. This is an area deserving increased attention by both the House of Representatives and the Senate.
- Many of the attempted improvements thus far have focused on making the existing personnel and information security system work better at the margin and have emphasized incremental steps rather than innovation and fresh thinking on new ideas. There is a serious need to consider whether the underlying philosophy, focus and methods of our current systems are adequate. The usefulness and relevance of current security screening methods require thorough reexamination.
- The continued emphasis on pre-employment background investigations for the purposes of granting clearances appears misplaced since it is extremely rare that clearances are denied on the basis of these investigations.
- The security evaluation of current employees in both the defense and intelligence agencies requires increased attention. The quality of programs for assessing an employee's reliability and suitability for continued access to classified information after gaining employment varies widely among the defense and intelligence agencies.
- Increased efforts are especially required in the area of assessing financial vulnerability among personnel holding security clearances. Recent espionage cases show an increasing tendency toward espionage for the sake of greed or relieving financial distress.
- One area of particular importance is that of the damage that can be caused by former employees. U.S. personnel security programs must begin to pay attention to those who leave government service under adverse circumstances who have once had access to highly sensitive information. Many agencies have no existing programs to address this important area.
- Strict adherence to the need-to-know principle still appears to be receiving little serious attention among the defense and intelligence agencies. The prevailing culture in this area is lax, allowing casual exchange of information and unnecessary access.

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Upon release of the Subcommittee's report, Representative Louis Stokes (D., Ohio), Chairman of the House Permanent Select Committee on Intelligence, noted:

"Chairman Beilenson's Subcommittee has done an excellent job in its review of personnel and information security. The timely filing of this report is underscored by the onslaught of espionage cases, the most recent being the Dolce matter. The findings of the report will provide the next administration, whether Democratic or Republican, with a strong set of guidelines to improve what has often been a neglected aspect of our national security structure."

Congressman Anthony Beilenson (D., Calif.) noted at the release of the Subcommittee's report:

"Although we have known for several years now that serious weaknesses in our personnel security system are at the heart of our espionage crisis, we have failed to make important changes that could significantly improve our ability to identify and catch spies. We are hopeful that the Subcommittee's report will help encourage the next administration to make personnel security a top national priority."

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